



2026 UTILITY BUDGET

City of Lawrence, Indiana (MUNICIPAL SEWAGE WORKS)

April 10, 2026

APRIL 10, 2026

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I. Significant Assumptions and Financial Position, Receipts and Disbursements

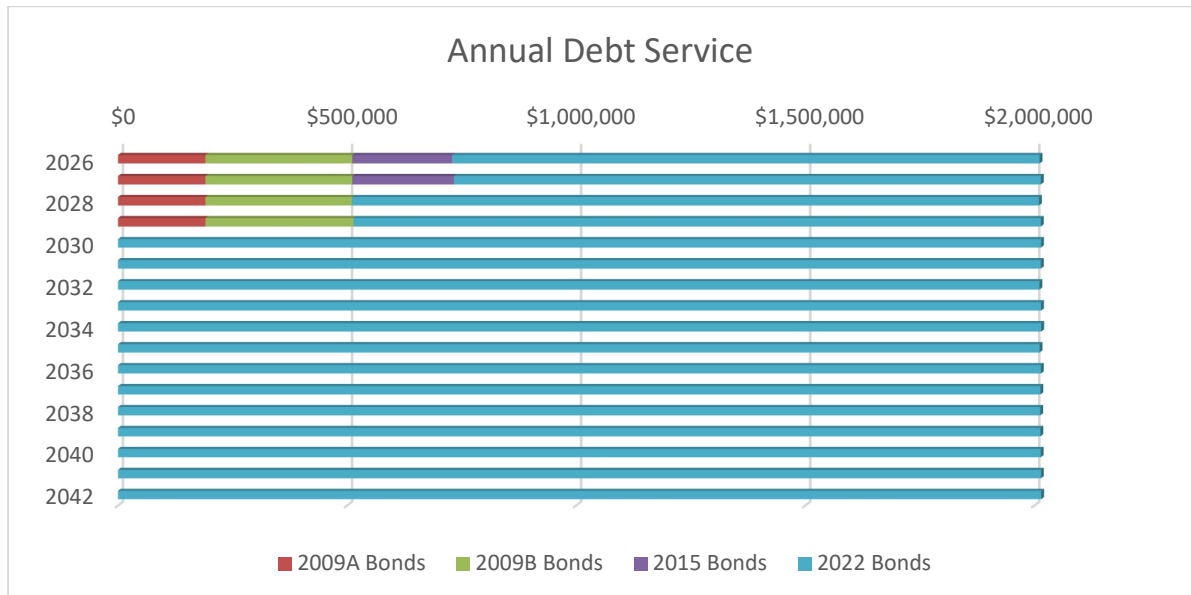
We have prepared a schedule of estimated receipts, disbursements, and ending fund balances for each Sewer fund for 2026. These schedules can be seen on pages 3 through 5, with the details for these schedules by account on pages 5 – 13. For these estimates, amounts for operating receipts in 2026 are based on analysis of the actual amounts from 2023, 2024 and the first 9 months of 2025, adjusted for the previously adopted increases in the sewer rates and charges. Based on the adopted increases, an increase of 9% beginning April 1, 2024, and an additional 8% beginning April 1, 2025 have been included in the budget for sewer collections for 2025. Non-operating receipts for 2026 are based on historical trends.

For the calendar year 2026 budget, most operating disbursements are based on analysis of the actual amounts from 2024 and the first 9 months of 2025, along with adjustments for non-recurring expenses. Salaries and wages and employee benefits are based on the proposed 2025 salary resolution and estimates from management including an assumed 3% increase. 2026 budgeted purchase treatment is based on the gallons treated in 2025 adjusted for the Citizens Energy Group's rates of \$2.67695/1,000 gallons treated for the City of Lawrence. Additional salary and benefit allocations have been included in the Administrative and General cost category according to management's estimates.

Debt service payments for 2026 are based on the bond amortization schedules for the outstanding bonds of the Sewage Utility. The amortization schedules for the outstanding debt can be seen on pages 14 through 19. Additionally, the budget includes monthly transfers of \$20,097.85 to fund the Debt Service Reserve.

II. Outstanding Revenue Bonds

The Sewage Utility currently has four revenue bond issues outstanding and the amortization schedules for these can be seen on pages 15 – 19. The Sewage Works Revenue Bonds, Series 2009A, on page 15, have an outstanding principal amount of \$929,427 and will mature January 1, 2030. The Sewage Works Revenue Bonds, Series 2009B, on page 16, have an outstanding principal amount of \$1,355,000 and will also mature January 1, 2030. Page 17 shows the Sewage Works Refunding Revenue Bonds, Series 2015 which have an outstanding principal amount of \$620,000 and which will mature January 1, 2028. The Sewage Works Revenue Bonds, Series 2022 with an outstanding principal amount of \$19,685,000 will mature January 1, 2043, as seen on page 18. A schedule of outstanding combined bond amortization can be found on page 19. The graph below shows the Utility's annual debt service by bond issued.



(Subject to the attached letter dated January 29, 2026)

III. Capital Improvement Budget

Based on the 2026 Budget receipts and disbursements for the Sewage Works, along with factoring in the funding needed to support the debt service and debt service reserve funding on the outstanding bonds, the Sewage Works has \$1,011,005 in which it can transfer and apply to cash fund capital improvements, leaving the Utility with an approximate ending balance around \$1,000,000 while balancing the revenues and expenses to result in a net zero. To the extent additional capital improvements would be needed, the sewage works would need to draw on their existing cash balances or look towards a potential financing, depending on the size of the needed improvement.

(Subject to the attached letter dated January 29, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

2026 Proposed Budget - 606 Sewer Utility Operating Fund

	12/31/2023	12/31/2024	2025 Normalized	2026
	Actual	Actual	Estimates	Proposed Budget
Operating Receipts				
Residential Flat Rate Sales	\$6,549,256	\$7,453,917	\$7,938,218	\$8,261,000
Commercial Flat Rate Sales	553,759	624,635	661,334	692,000
Commercial Metered Sales	3,485,519	4,170,232	4,573,206	4,622,000
Residential Metered Sales	1,049,768	1,195,772	1,307,019	1,325,000
Penalties	235,644	301,937	343,700	343,700
Miscellaneous Receipts	40,288	47,840	55,840	55,900
Total Operating Receipts	\$11,914,234	\$13,794,335	\$14,879,317	\$15,299,600
Operating Disbursements				
Salaries and Benefits	\$1,414,127	\$1,446,813	\$1,619,604	\$1,904,200
Treatment Expense	4,490,319	3,747,360	4,758,466	5,655,300
Professional and Contractual Services	362,288	316,016	299,471	330,300
Materials and Supplies	88,298	89,711	78,772	96,800
Transportation Expense	54,425	47,854	48,692	50,100
Insurance Expense	113,795	132,179	165,015	169,900
Rental of Equipment	3,699	4,369	4,964	5,100
Purchased Power	103,023	109,659	112,783	116,100
Contractual Payment to City	-	-	-	-
Miscellaneous Expense	794,214	885,608	857,051	959,040
Total Operating Disbursements	\$7,424,187	\$6,779,569	\$7,944,818	\$9,286,840
Net Operating Receipts/(Disbursements)	\$4,490,047	\$7,014,766	\$6,934,499	\$6,012,760
Non-Operating Receipts				
EDU Fee	\$133,500	\$205,056	\$187,935	\$187,900
Loan Payment from Water Utility	-	-	-	-
Other Receipts	94,950	175	651	700
Total Non-Operating Receipts	\$228,450	\$205,230	\$188,586	\$188,600
Non-Operating Disbursements				
Transfers to Sewer Bond and Interest Fund	\$2,034,908	\$2,374,060	\$2,014,397	\$2,013,221
Transfers to Sewer Debt Service Reserve Fund	241,174	241,175	241,175	241,175
Transfers to Capital Improvement Fund (1)	2,449,390	4,945,684	4,528,505	3,946,964
Loan to Water Utility ²	-	-	-	-
Interest Expense	-	-	-	-
Principal Payment	-	-	-	-
Capital Leases	-	-	-	-
Accounts Payable	-	-	-	-
Other	-	-	-	-
Total Non-Operating Disbursements	\$4,725,472	\$7,560,919	\$6,784,077	\$6,201,360
Change in Cash Position - Net Receipts	(6,975)	(340,923)	339,008	-
Beginning Cash Position	1,008,890	1,001,915	660,992	1,000,000
Ending Cash Position	\$1,001,915	\$660,992	\$1,000,000	\$1,000,000

(1) Assumes a transfer amount to provide for cash funded capital improvements while maintaining a \$1,000,000 balance in the operating fund.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

2026 Proposed Budget - 607 Sewer Bond and Interest Fund

	Proposed 2026 Budget
Receipts	
Transfer from Operating Fund	\$2,254,421
Miscellaneous Receipts	-
Total Receipts	2,254,421
Disbursements	
Series 2009A	191,009
Series 2009B (1)	320,206
Series 2009C (1) (2)	-
Series 2015 (1)	219,880
Series 2022	1,282,126
Transfers to Debt Service Reserve (3)	241,200
Total Disbursements	2,254,421
Change in Cash Position - Net Receipts	-
Beginning Cash Position	-
Ending Cash Position	\$ -

- (1) Payments include scheduled payments from amortization schedule plus \$825 annual Bond Trustee Fees.
- (2) Series 2009C Bonds matured January 1, 2025.
- (3) Monthly transfers of \$20,097.85 are required to fund the debt service reserve through October 2027.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

2025 Proposed Budget - 618 Sewer Capital Improvement Fund

	12/31/2023	12/31/2024	2025 Revised	2026
	Actual	Actual	Estimates	Proposed Budget
Receipts				
Transfers-in from Sewer Operating Fund	\$2,449,390	\$4,945,684	\$4,528,505	\$3,946,964
Miscellaneous Receipts	-	-	-	-
Total Receipts	<u>2,449,390</u>	<u>4,945,684</u>	<u>4,528,505</u>	<u>3,946,964</u>
Disbursements				
Contractual Payment to City	2,035,959	2,035,959	2,035,959	2,935,959
Available for Capital Projects	842,175	534,985	4,570,752	1,011,005
Other	-	-	-	-
Total Disbursements	<u>2,878,134</u>	<u>2,570,944</u>	<u>6,606,711</u>	<u>3,946,964</u>
Change in Cash Position - Net Receipts	<u>(428,744)</u>	<u>2,374,740</u>	<u>(2,078,206)</u>	<u>-</u>
Beginning Cash Position	<u>1,132,210</u>	<u>703,466</u>	<u>3,078,206</u>	<u>1,000,000</u>
Ending Cash Position	<u>\$703,466</u>	<u>\$3,078,206</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>

(1) Total available cash funded capital improvements while still maintaining current cash balances. If the actual capital spend for 2025 is less, the difference could be spent in 2026.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606	Sewer Operating Fund					
391	Interfund Transfers in					
391.002	Interfund Transfers in Other Funds		\$339,151.38			
391	Interfund Transfers in Totals		\$339,151.38			
	Department 021 - Sewer Utility					
	Division 01 - Administrative					
521	Flat Rate Revenues					
521.001	Flat Rate Revenues Residential Revenues	\$6,549,255.84	\$7,453,917.48	\$8,052,900.00	\$5,953,663.62	(1) \$8,261,000.00
521.002	Flat Rate Revenues Commercial Revenues	553,759.23	624,635.27	674,100.00	496,000.28	(1) 692,000.00
521	Flat Rate Revenues Totals	\$7,103,015.07	\$8,078,552.75	\$8,727,000.00	\$6,449,663.90	\$8,953,000.00
522	Measured Revenue					
522.001	Measured Revenue Residential Revenues	1,049,767.94	1,195,772.44	1,290,400.00	980,264.61	(1) \$1,325,000.00
522.002	Measured Revenue Commercial Revenues	3,485,518.77	4,170,232.45	4,468,400.00	3,429,904.73	(1) 4,622,000.00
522	Measured Revenue Totals	\$4,535,286.71	\$5,366,004.89	\$5,758,800.00	\$4,410,169.34	\$5,947,000.00
536	Other Sewer Revenue					
536.001	Other Sewer Revenue Tap Fees	6,400.00	7,600.00	10,400.00	7,800.00	(1) 10,400.00
536.002	Other Sewer Revenue Inspection Fees	10,630.00	12,700.00	13,900.00	10,400.00	(1) 13,900.00
536.003	Other Sewer Revenue Penalties	235,644.07	301,936.90	343,700.00	257,774.66	(1) 343,700.00
536.005	Other Sewer Revenue Plan Review Fees	16,208.25	18,340.00	22,500.00	16,880.00	(1) 22,500.00
536.006	Other Sewer Revenue EDU Fee	133,500.00	205,055.85	187,900.00	140,951.19	(1) 187,900.00
536.007	Other Sewer Revenue Application Fee	7,050.00	9,200.00	9,100.00	6,800.00	(1) 9,100.00
536.008	Other Sewer Revenue Refunds & Overpayments	94,950.00	174.64	700.00	488.45	(1) 700.00
536	Other Sewer Revenue Totals	\$504,382.32	\$555,007.39	\$588,200.00	\$441,094.30	\$588,200.00
	Division 01 - Administrative Totals	\$12,142,684.10	\$13,999,565.03	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	Department 021 - Sewer Utility Totals	\$12,142,684.10	\$13,999,565.03	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	REVENUE TOTALS	\$12,142,684.10	\$14,338,716.41	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00

(1) Assumed at normalized 2025 figures.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
439	Other Services and Charges					
439.040	Other Services and Charges Transfer Out	\$2,449,390.00	\$4,945,684.00	\$3,727,863.00	\$648,707.00	(1) \$3,943,360.00
	439 - Other Services and Charges Totals	\$2,449,390.00	\$4,945,684.00	\$3,727,863.00	\$648,707.00	\$3,943,360.00
452	Interfund Operating Transfers					
452.001	Interfund Operating Transfers Transfers Out	2,276,082.48	2,615,234.86	2,254,772.28	1,856,539.70	(1) 2,258,000.00
	452 - Interfund Operating Transfers Totals	\$2,276,082.48	\$2,615,234.86	\$2,254,772.28	\$1,856,539.70	\$2,258,000.00
Department 021 - Sewer Utility						
Division 06 - Customer Accounts Expenses						
411	Salaries and Wages					
411.001	Salaries and Wages Regular	316,180.81	336,268.74	391,353.56	281,440.35	(2) 386,500.00
	411 - Salaries and Wages Totals	\$316,180.81	\$336,268.74	\$391,353.56	\$281,440.35	\$386,500.00
412	Overtime					
412.001	Overtime Overtime	17,280.69	17,143.94	15,000.00	15,881.15	(2) 21,800.00
	412 - Overtime Totals	\$17,280.69	\$17,143.94	\$15,000.00	\$15,881.15	\$21,800.00
413	Employee Benefits					
413.001	Employee Benefits Employer's Share of SS	19,702.70	21,057.01	24,263.92	17,609.11	(2) 24,200.00
413.002	Employee Benefits Employer's Share of Medicare	4,607.37	4,924.12	5,674.63	4,117.89	(2) 5,700.00
413.003	Employee Benefits Employer's Share of PERF	37,359.25	39,581.51	43,831.60	33,334.71	(2) 45,800.00
413.005	Employee Benefits Employer's Share - Health Ins	42,237.44	38,177.27	45,453.24	39,990.23	(2) 54,900.00
413.011	Employee Benefits Other Employee Benefits	408.73	300.00	300.00	1,272.40	(2) 1,700.00
413.012	Employee Benefits Other Employee Health Benefits	1,500.00	1,500.00	1,500.00	1,400.00	(2) 1,900.00
	413 - Employee Benefits Totals	\$105,815.49	\$105,539.91	\$121,023.39	\$97,724.34	\$134,200.00
439	Other Services and Charges					
439.051	Other Services and Charges Internal Service	11,902.00	-	-	-	(2) -
	439 - Other Services and Charges Totals	\$11,902.00	\$0.00	\$0.00	\$0.00	\$0.00
704	Employee Pensions & Benefits					
704.004	Employee Pensions & Benefits Unemployment	442.00	373.99	500.00	-	(2) -
	704 - Employee Pensions & Benefits Totals	\$442.00	\$373.99	\$500.00	\$0.00	\$0.00
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	67.30	30.00	1,000.00	804.50	(2) 1,100.00
720.003	Materials and Supplies Other Operating Supplies	123.49	-	-	36.84	(2) 100.00
720.009	Materials and Supplies Repair Parts	125.00	-	-	-	(2) -
720.010	Materials and Supplies Small Tools & Minor	383.70	447.18	750.00	-	(2) -
720.020	Materials and Supplies Other Repair & Maint	165.34	107.75	150.00	211.35	(2) 300.00
720.025	Materials and Supplies Other Supplies	-	12.50	50.00	31.60	(2) -
	720 - Materials and Supplies Totals	\$864.83	\$597.43	\$1,950.00	\$1,084.29	\$1,500.00
735	Contractual Serv - Testing	-	-	-	-	(2) -
736	Contractual Services - Other	5,165.86	4,019.53	3,000.00	1,167.61	(2) 1,600.00
	735/736 - Contractual Services Totals	\$5,165.86	\$4,019.53	\$3,000.00	\$1,167.61	\$1,600.00
750	Transportation Expenses					
750.002	Transportation Expenses Diesel Fuel	-	-	-	-	(2) -
750.004	Transportation Expenses Tires and Tubes	-	-	-	-	(2) -
750.005	Transportation Expenses Garage Repair Parts	-	694.14	200.00	52.00	(2) 100.00
750.006	Transportation Expenses Repair & Maint Services -	-	236.50	300.00	2,250.00	(2) 3,100.00
	750 - Transportation Expenses Totals	\$0.00	\$930.64	\$500.00	\$2,302.00	\$3,200.00
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	-	-	-	-	(2) -
775.002	Miscellaneous Expenses Postage	-	250.00	500.00	1,200.00	(2) 1,600.00
775.011	Miscellaneous Expenses Printing & Advertising	555.00	-	-	230.00	(2) 300.00
775.018	Miscellaneous Expenses Refunds	-	-	-	(62.42)	(2) -
775.019	Miscellaneous Expenses Subscriptions	28.54	-	-	-	(2) -
775.020	Miscellaneous Expenses Bank Service Charges	26,629.50	48,911.75	190,300.00	129,764.25	(2) 178,200.00
775.021	Miscellaneous Expenses Licenses & Fees	58,634.97	28,103.12	35,000.00	13,366.71	(2) 18,400.00
775.030	Miscellaneous Expenses Other Miscellaneous	25.00	8,085.00	11,000.00	3,759.50	(2) 5,200.00
775.032	Miscellaneous Expenses Credit Card Processing	57,809.54	72,504.89	82,500.00	7,211.29	(2) 9,900.00
775.033	Miscellaneous Expenses Customer Bill Bank Fees	52,342.99	60,366.13	75,000.00	56,020.71	(2) 76,900.00
	775 - Miscellaneous Expenses Totals	\$196,025.54	\$218,220.89	\$394,300.00	\$211,490.04	\$290,500.00
Division 06 - Customer Accounts Expenses Totals		\$653,677.22	\$683,095.07	\$927,626.95	\$611,089.78	\$839,300.00

(1) Assumed at normalized 2025 figures.

(2) Assumed at normalized 2025 figures plus 3%.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
Division 07 - Administrative & General Expense						
411	Salaries and Wages					
411.001	Salaries and Wages Regular	\$364,506.38	\$353,477.88	\$425,712.92	\$283,042.48	(2)(3)(6) \$488,500.00
411.004	Salaries and Wages Technical Pay	3,202.80	3,031.29	3,500.00	3,446.72	(2) 4,700.00
	411 - Salaries and Wages Totals	\$367,709.18	\$356,509.17	\$429,212.92	\$286,489.20	\$493,200.00
412	Overtime					
412.001	Overtime Overtime	182.91	198.21	1,000.00	174.95	(2) 200.00
	412 - Overtime Totals	\$182.91	\$198.21	\$1,000.00	\$174.95	\$200.00
413	Employee Benefits					
413.001	Employee Benefits Employer's Share of SS	22,321.14	23,577.95	26,394.20	17,700.92	(2)(3)(6) 32,600.00
413.002	Employee Benefits Employer's Share of Medicare	5,288.65	5,513.62	6,172.84	4,139.24	(2)(3)(6) 7,600.00
413.003	Employee Benefits Employer's Share of PERF	40,823.16	39,173.35	47,679.85	30,829.00	(2)(3)(6) 58,900.00
413.005	Employee Benefits Employer's Share - Health Ins	48,510.99	41,487.17	50,483.77	34,380.07	(2)(3)(6) 54,700.00
413.011	Employee Benefits Other Employee Benefits	5,510.75	25,666.09	1,414.80	891.94	(2)(3)(6) 2,600.00
413.012	Employee Benefits Other Employee Health Benefits	3,488.60	3,036.35	3,090.00	2,102.50	(2)(3)(6) 3,400.00
	413 - Employee Benefits Totals	\$125,943.29	\$138,454.53	\$135,235.46	\$90,043.67	\$159,800.00
439	Other Services and Charges					
439.051	Other Services and Charges Internal Service	29,363.00	58,552.00	50,000.00	9,058.00	(4) 60,300.00
	439 - Other Services and Charges Totals	\$29,363.00	\$58,552.00	\$50,000.00	\$9,058.00	\$60,300.00
704	Employee Pensions & Benefits					
704.004	Employee Pensions & Benefits Unemployment	-	2,372.24	3,200.00	59.00	(4) 2,400.00
	704 - Employee Pensions & Benefits Totals	\$0.00	\$2,372.24	\$3,200.00	\$59.00	\$2,400.00
715	Purchased Power					
715.001	Purchased Power Electric	100,330.22	108,005.82	120,000.00	82,462.73	(2) 113,200.00
715.002	Purchased Power Gas	2,692.48	1,652.90	3,000.00	2,124.53	(2) 2,900.00
	715 - Purchased Power Totals	\$103,022.70	\$109,658.72	\$123,000.00	\$84,587.26	\$116,100.00
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	2,961.32	1,310.17	2,000.00	916.52	(2) 1,300.00
720.002	Materials and Supplies Household, Laundry,	2,462.96	2,448.37	3,000.00	926.37	(2) 1,300.00
720.003	Materials and Supplies Other Operating Supplies	2,654.85	6,285.27	2,250.00	2,330.71	(2) 3,200.00
720.004	Materials and Supplies Building Materials	-	16.77	-	4.13	(2) -
720.009	Materials and Supplies Repair Parts	202.31	856.87	1,000.00	459.00	(2) 600.00
720.010	Materials and Supplies Small Tools & Minor	673.20	6,334.56	600.00	2,877.03	(2) 4,000.00
720.020	Materials and Supplies Other Repair & Maint	13.00	121.37	150.00	338.45	(2) 500.00
720.025	Materials and Supplies Other Supplies	3,931.28	3,261.91	4,500.00	3,308.40	(2) 4,500.00
	720 - Materials and Supplies Totals	\$12,898.92	\$20,635.29	\$13,500.00	\$11,160.61	\$15,400.00
732	Contractual Serv - Accounting	3,360.00	15,446.67	10,000.00	12,500.00	(2) 17,200.00
733	Contractual Serv - Legal	1,750.00	60,000.00	45,000.00	40,000.00	(2) 54,900.00
735	Contractual Serv - Testing	6,580.00	-	-	-	(2) -
	732/733/735 - Contractual Services Totals	\$11,690.00	\$75,446.67	\$55,000.00	\$52,500.00	\$72,100.00
736	Contractual Services - Other					
736	Contractual Services - Other	47,586.01	48,027.62	60,000.00	43,761.70	(2) 60,100.00
736.001	Contractual Services - Other Grounds Maintenance	-	-	-	-	(2) -
736.002	Contractual Services - Other Janitorial Services	8,316.00	-	-	-	(2) -
	736 - Contractual Services - Other Totals	\$55,902.01	\$48,027.62	\$60,000.00	\$43,761.70	\$60,100.00
742	Rental of Equipment	3,698.66	4,368.53	5,000.00	3,723.01	(2) 5,100.00
750	Transportation Expenses					
750.001	Transportation Expenses Gasoline	43,936.14	38,172.28	45,000.00	28,246.80	(2) 38,800.00
750.002	Transportation Expenses Diesel Fuel	6,574.86	3,693.89	6,000.00	3,165.68	(2) 4,300.00
750.003	Transportation Expenses Oil	-	-	-	-	(2) -
750.004	Transportation Expenses Tires & Tubes	-	-	-	-	(2) -
750.005	Transportation Expenses Garage Repair Parts	-	-	-	-	(2) -
750.006	Transportation Expenses Repair & Maint Services -	-	-	-	-	(2) -
750.010	Transportation Expenses Other Transportation	-	107.06	100.00	-	(2) -
	750 - Transportation Expenses Totals	\$50,511.00	\$41,973.23	\$51,100.00	\$31,412.48	\$43,100.00
756	Insurance - Vehicle	23,547.85	43,449.09	37,400.00	.00	(2) 34,800.00
757	Insurance - General Liability	33,284.55	17,537.62	24,000.00	28,636.88	(2) 39,300.00
758	Insurance - Workman's Comp	27,541.06	27,389.01	36,500.00	19,876.58	(2) 27,300.00
759	Insurance - Other	29,421.47	43,803.39	58,400.00	49,906.00	(2) 68,500.00

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- (4) Assumed at normalized 2024 figures plus 3%.
- (5) Includes allocation of additional sewer employee.
- (6) Additional Salaries and Benefits allocation provided by management.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	\$72.13	\$44.50	\$250.00	\$30.00 (2)	\$40.00
775.002	Miscellaneous Expenses Postage	2,823.98	2,319.04	2,750.00	1,671.48 (2)	2,300.00
775.003	Miscellaneous Expenses Travel Expense	586.09	590.00	500.00	1,511.72 (2)	2,100.00
775.004	Miscellaneous Expenses Telephone - Land Line	20,178.68	15,999.35	20,000.00	4,520.24 (2)	7,500.00
775.005	Miscellaneous Expenses Telephone - Cellular	15,725.61	17,934.33	20,000.00	13,042.06 (2)	20,000.00
775.006	Miscellaneous Expenses Internet Charges	517.52	3,432.82	2,700.00	3,607.93 (2)	5,000.00
775.009	Miscellaneous Expenses Internal Services Charge	458,675.00	519,732.00	529,000.00	377,892.50 (2)	519,000.00
775.010	Miscellaneous Expenses Other Communication &	1,161.97	1,259.47	1,500.00	1,178.35 (2)	1,600.00
775.011	Miscellaneous Expenses Printing & Advertising	946.61	1,061.50	1,500.00	654.00 (4)	1,100.00
775.015	Miscellaneous Expenses Repair & Maintenance	1,735.75	7,012.65	7,000.00	2,135.00 (4)	7,200.00
775.019	Miscellaneous Expenses Subscriptions	86.10	-	-	- (2)	-
775.020	Miscellaneous Expenses Bank Service Charges	20,148.39	18,651.25	20,000.00	- (4)	20,600.00
775.021	Miscellaneous Expenses Licenses & Fees	6,500.92	-	-	8,490.00 (2)	11,700.00
775.022	Miscellaneous Expenses Organization	2,621.00	392.50	500.00	2,720.00 (2)	3,700.00
775.023	Miscellaneous Expenses Premiums on Official	190.00	120.00	200.00	150.00 (2)	200.00
775.024	Miscellaneous Expenses Education	922.50	1,871.00	2,400.00	3,016.00 (2)	4,100.00
775.030	Miscellaneous Expenses Other Miscellaneous	494.85	336.63	-	- (2)	-
775.032	Miscellaneous Expenses Credit Card Processing	2,437.31	-	-	- (2)	-
775.033	Miscellaneous Expenses Customer Bill Bank Fees	74.50	-	-	- (2)	-
	775 - Miscellaneous Expenses Totals	\$535,898.91	\$590,757.04	\$608,300.00	\$420,619.28	\$606,140.00
Division 07 - Administrative & General Expense Totals		\$1,410,615.51	\$1,579,132.36	\$1,690,848.38	\$1,132,008.62	\$1,803,840.00

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(5) Includes allocation of additional sewer employee.

(6) Additional Salaries and Benefits allocation provided by management.

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
Division 08 - Collection Expenses						
Section 1 - Operations						
411	Salaries and Wages					
411.001	Salaries and Wages Regular	\$181,240.55	\$179,346.81	\$189,356.49	\$164,061.50	(2)(5) \$254,700.00
	411 - Salaries and Wages Totals	\$181,240.55	\$179,346.81	\$189,356.49	\$164,061.50	\$254,700.00
412	Overtime					
412.001	Overtime Overtime	5,761.30	5,958.93	7,500.00	7,560.51	(2) 10,400.00
	412 - Overtime Totals	\$5,761.30	\$5,958.93	\$7,500.00	\$7,560.51	\$10,400.00
413	Employee Benefits					
413.001	Employee Benefits Employer's Share of SS	11,125.58	11,078.64	11,740.10	10,234.53	(2)(5) 15,900.00
413.002	Employee Benefits Employer's Share of Medicare	2,602.08	2,591.09	2,745.67	2,393.73	(2)(5) 3,700.00
413.003	Employee Benefits Employer's Share of PERF	20,944.43	20,866.43	20,199.93	19,221.81	(2)(5) 29,700.00
413.005	Employee Benefits Employer's Share - Health Ins	36,350.03	42,897.18	44,536.92	36,646.40	(2)(5) 62,800.00
413.011	Employee Benefits Other Employee Benefits	-	1,577.22	-	(13.51)	(4)(5) 1,600.00
413.012	Employee Benefits Other Employee Health Benefits	1,937.50	1,650.00	1,650.00	1,387.50	(2)(5) 1,900.00
	413 - Employee Benefits Totals	\$72,959.62	\$80,660.56	\$80,872.62	\$69,870.46	\$115,600.00
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	101.13	130.17	100.00	56.82	(4) 100.00
720.002	Materials and Supplies Household, Laundry,	500.00	113.27	500.00	349.02	(4) 100.00
720.003	Materials and Supplies Other Operating Supplies	1,147.26	439.30	500.00	36.65	(4) 500.00
720.004	Materials and Supplies Building Materials	-	-	-	1,950.73	(2) 2,700.00
720.005	Materials and Supplies Gravel	-	-	-	-	(2) -
720.006	Materials and Supplies Sand	-	-	-	-	(2) -
720.007	Materials and Supplies Cement	855.00	-	-	-	(2) -
720.008	Materials and Supplies Asphalt	-	-	-	-	(2) -
720.009	Materials and Supplies Repair Parts	4,979.22	1,152.33	2,000.00	2,314.32	(2) 2,400.00
720.010	Materials and Supplies Small Tools & Minor	1,456.79	8,046.82	5,000.00	(7,954.81)	(4) 8,300.00
720.020	Materials and Supplies Other Repair & Maint	7,616.75	2,771.72	5,000.00	5,501.75	(2) 5,700.00
720.025	Materials and Supplies Other Supplies	4,551.51	2,593.47	5,000.00	3,986.16	(2) 4,100.00
	720 - Materials and Supplies Totals	\$21,207.66	\$15,247.08	\$18,100.00	\$6,240.64	\$23,900.00
735	Contractual Serv - Testing	605.00	-	-	-	-
736	Contractual Services - Other	156,111.62	120,733.66	150,000.00	81,368.81	(4) 124,000.00
742	Rental of Equipment	-	-	-	-	(2) -
750	Transportation Expenses					
750.003	Transportation Expenses Oil	-	-	-	-	(2) -
750.004	Transportation Expenses Tires & Tubes	-	-	-	-	(2) -
750.005	Transportation Expenses Garage Repair Parts	24.88	135.53	500.00	193.35	(2) 300.00
750.006	Transportation Expenses Repair & Maint Services -	880.75	1,493.25	-	1,272.41	(2) 1,700.00
750.010	Transportation Expenses Other Transportation	-	-	-	-	(2) -
	750 - Transportation Expenses Totals	\$905.63	\$1,628.78	\$500.00	\$1,465.76	\$2,000.00
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	260.00	203.24	300.00	258.80	(2) 400.00
775.011	Miscellaneous Expenses Printing & Advertising	-	-	-	-	(2) -
775.015	Miscellaneous Expenses Repair & Maintenance	-	-	-	-	(2) -
775.024	Miscellaneous Expenses Education	-	-	-	-	(2) -
775.030	Miscellaneous Expenses Other Miscellaneous	646.42	351.05	500.00	976.11	(2) 1,300.00
	775 - Miscellaneous Expenses Totals	\$906.42	\$554.29	\$800.00	\$1,234.91	\$1,700.00
	Section 1 - Operations Totals	\$439,697.80	\$404,130.11	\$447,129.11	\$331,802.59	\$532,300.00
Section 2 - Maintenance						
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	-	-	-	-	(2) -
720.002	Materials and Supplies Household, Laundry,	63.64	-	-	-	(2) -
720.003	Materials and Supplies Other Operating Supplies	-	-	-	-	(2) -
720.004	Materials and Supplies Building Materials	252.15	-	-	-	(2) -
720.006	Materials and Supplies Sand	-	-	-	-	(2) -
720.009	Materials and Supplies Repair Parts	93.84	-	-	-	(2) -
720.010	Materials and Supplies Small Tools & Minor	213.45	-	-	-	(2) -
720.020	Materials and Supplies Other Repair & Maint	48.71	-	-	-	(2) -
720.025	Materials and Supplies Other Supplies	151.05	-	-	-	(2) -
	720 - Materials and Supplies Totals	\$822.84	\$0.00	\$0.00	\$0.00	\$0.00
165	Machinery and Equipment	-	-	-	35,963.00	-
736	Contractual Services - Other	97,234.35	48,720.00	50,000.00	48,000.00	(4) 50,200.00
742	Rental of Equipment	-	-	-	-	-

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- (4) Assumed at normalized 2024 figures plus 3%.
- (5) Includes allocation of additional sewer employee.
- (6) Additional Salaries and Benefits allocation provided by management.

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
750	Transportation Expenses					
750.003	Transportation Expenses Oil	-	-	-	- (2)	-
750.005	Transportation Expenses Garage Repair Parts	-	-	-	- (2)	-
750.006	Transportation Expenses Repair & Maint Services -	-	-	-	- (2)	-
	750 - Transportation Expenses Totals	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	250.00	-	-	- (2)	-
775.015	Miscellaneous Expenses Repair & Maintenance	-	-	-	- (2)	-
775.030	Miscellaneous Expenses Other Miscellaneous	-	-	-	- (2)	-
	775 - Miscellaneous Expenses Totals	<u>\$250.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Section 2 - Maintenance Totals	<u>\$98,307.19</u>	<u>\$48,720.00</u>	<u>\$50,000.00</u>	<u>\$83,963.00</u>	<u>\$50,200.00</u>
	Division 08 - Collection Expenses Totals	<u>\$538,004.99</u>	<u>\$452,850.11</u>	<u>\$497,129.11</u>	<u>\$415,765.59</u>	<u>\$582,500.00</u>

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(4) Assumed at normalized 2024 figures plus 3%.

(5) Includes allocation of additional sewer employee.

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(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
Division 09 - Pumping Expenses						
Section 1 - Operations						
411	Salaries and Wages					
411.001	Salaries and Wages Regular	\$154,812.64	\$149,786.80	\$145,058.89	\$136,280.40	(2)(5) \$216,500.00
	411 - Salaries and Wages Totals	\$154,812.64	\$149,786.80	\$145,058.89	\$136,280.40	\$216,500.00
412	Overtime					
412.001	Overtime Overtime	4,298.52	5,415.64	7,500.00	6,267.93	(2) 8,600.00
	412 - Overtime Totals	\$4,298.52	\$5,415.64	\$7,500.00	\$6,267.93	\$8,600.00
413	Employee Benefits					
413.001	Employee Benefits Employer's Share of SS	9,489.11	9,305.06	8,993.65	8,513.33	(2)(5) 13,500.00
413.002	Employee Benefits Employer's Share of Medicare	2,219.04	2,176.03	2,103.35	1,990.82	(2)(5) 3,200.00
413.003	Employee Benefits Employer's Share of PERF	17,820.19	17,494.37	16,246.60	15,965.23	(2)(5) 25,200.00
413.005	Employee Benefits Employer's Share - Health Ins	30,033.75	36,580.55	37,017.84	31,006.16	(2)(5) 55,100.00
413.011	Employee Benefits Other Employee Benefits	-	1,577.22	-	(13.49)	(4)(5) 1,600.00
413.012	Employee Benefits Other Employee Health Benefits	1,937.50	1,650.00	1,650.00	1,387.50	(4)(5) 1,700.00
	413 - Employee Benefits Totals	\$61,499.59	\$68,783.23	\$66,011.44	\$58,849.55	\$100,300.00
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	99.15	38.28	500.00	624.46	(2) 900.00
720.002	Materials and Supplies Household, Laundry,	500.00	113.29	250.00	1,503.48	(2) 2,100.00
720.003	Materials and Supplies Other Operating Supplies	497.80	636.95	1,000.00	36.67	(2) 100.00
720.004	Materials and Supplies Building Materials	-	-	-	1,950.74	(2) 2,700.00
720.009	Materials and Supplies Repair Parts	4,917.95	22,484.43	25,000.00	14,527.75	(2) 20,000.00
720.010	Materials and Supplies Small Tools & Minor	7,706.56	8,090.13	10,000.00	7,545.72	(2) 10,400.00
720.020	Materials and Supplies Other Repair & Maint	24,278.20	19,329.24	25,000.00	10,712.50	(2) 14,700.00
720.025	Materials and Supplies Other Supplies	2,135.53	2,144.78	2,000.00	3,696.08	(2) 5,100.00
	720 - Materials and Supplies Totals	\$40,135.19	\$52,837.10	\$63,750.00	\$40,597.40	\$56,000.00
735	Contractual Serv - Testing	605.00	2,351.00	3,500.00	3,690.00	(4) 5,100.00
736	Contractual Services - Other	21,605.05	16,718.00	25,000.00	8,274.79	(4) 17,200.00
750	Transportation Expenses					
750.002	Transportation Expenses Diesel Fuel	1,979.51	1,039.27	-	-	(2) -
750.003	Transportation Expenses Oil	-	171.84	250.00	-	(2) -
750.004	Transportation Expenses Tires & Tubes	-	-	-	-	(2) -
750.005	Transportation Expenses Garage Repair Parts	280.87	616.61	1,000.00	66.59	(2) 100.00
750.006	Transportation Expenses Repair & Maint Services -	585.75	1,493.25	-	1,272.41	(2) 1,700.00
750.010	Transportation Expenses Other Transportation	.65	.37	-	-	(2) -
	750 - Transportation Expenses Totals	\$2,846.78	\$3,321.34	\$1,250.00	\$1,339.00	\$1,800.00
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	67.56	434.20	500.00	71.97	100.00
775.015	Miscellaneous Expenses Repair & Maintenance	3,000.00	-	2,500.00	-	-
775.030	Miscellaneous Expenses Other Miscellaneous	16,600.60	17,089.85	300.00	335.96	300.00
	775 - Miscellaneous Expenses Totals	\$19,668.16	\$17,524.05	\$3,300.00	\$407.93	\$400.00
	Section 1 - Operations Totals	\$305,470.93	\$316,737.16	\$315,370.33	\$255,707.00	\$405,900.00
Section 2 - Maintenance						
720	Materials and Supplies					
720.001	Materials and Supplies Office Supplies	-	-	-	-	(2) -
720.002	Materials and Supplies Household, Laundry,	63.65	236.84	-	-	(2) -
720.003	Materials and Supplies Other Operating Supplies	-	-	-	-	(2) -
720.004	Materials and Supplies Building Materials	283.45	-	-	-	(2) -
720.009	Materials and Supplies Repair Parts	163.73	-	-	-	(2) -
720.010	Materials and Supplies Small Tools & Minor	1,311.96	26.50	-	-	(2) -
720.020	Materials and Supplies Other Repair & Maint	10,104.16	-	-	-	(2) -
720.025	Materials and Supplies Other Supplies	441.46	130.35	-	-	(2) -
	720 - Materials and Supplies Totals	\$12,368.41	\$393.69	\$0.00	\$0.00	\$0.00
736	Contractual Services - Other	13,368.85	-	-	-	(2) -
750	Transportation Expenses					
750.005	Transportation Expenses Garage Repair Parts	145.56	-	-	-	(2) -
750.006	Transportation Expenses Repair & Maint Services -	-	-	-	-	(2) -
750.010	Transportation Expenses Other Transportation	16.24	-	-	-	(2) -
	750 - Transportation Expenses Totals	\$161.80	\$0.00	\$0.00	\$0.00	\$0.00

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(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606	Sewer Operating Fund					
775	Miscellaneous Expenses					
775.001	Miscellaneous Expenses Freight and Express	200.00	-	-	-	-
775.030	Miscellaneous Expenses Other Miscellaneous	-	-	-	-	-
	775 - Miscellaneous Expenses Totals	<u>\$200.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Section 2 - Maintenance Totals	<u>\$26,099.06</u>	<u>\$393.69</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Division 09 - Pumping Expenses Totals	<u>\$331,569.99</u>	<u>\$317,130.85</u>	<u>\$315,370.33</u>	<u>\$255,707.00</u>	<u>\$405,900.00</u>

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(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

BUDGET TO ACTUAL COMPARISON

Account	Account Description	2023 Actual	2024 Actual	2025 Adopted Budget	9/30/2025 Actual	Proposed 2026 Budget
Fund 606 - Sewer Operating Fund						
Division 10 - Treatment & Disposal Expenses						
Section 1 - Operations						
710	Purchased Wastewater Treatment	\$4,490,319.11	\$3,747,360.44	\$5,242,800.00	\$4,175,340.13 (2)	\$5,655,300.00
	Section 1 - Operations Totals	\$4,490,319.11	\$3,747,360.44	\$5,242,800.00	\$4,175,340.13	\$5,655,300.00
Division 10 - Treatment & Disposal Expenses	Totals	\$4,490,319.11	\$3,747,360.44	\$5,242,800.00	\$4,175,340.13	\$5,655,300.00
Department 021 - Sewer Utility	Totals	\$7,424,186.82	\$6,779,588.83	\$8,673,774.77	\$6,589,911.12	\$9,286,840.00
	EXPENSE TOTALS	\$12,149,659.30	\$14,340,487.69	\$14,656,410.05	\$9,095,157.82	\$15,488,200.00
Fund 606 - Sewer Operating Fund	Totals	\$12,142,684.10	\$14,338,716.41	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	REVENUE TOTALS	\$12,142,684.10	\$14,338,716.41	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	EXPENSE TOTALS	\$12,149,659.30	\$14,340,487.69	\$14,656,410.05	\$9,095,157.82	\$15,488,200.00
Fund 606 - Sewer Operating Fund	Totals	(\$6,975.20)	(\$1,771.28)	\$417,589.95	\$2,205,769.72	\$0.00
	Grand Totals	\$12,142,684.10	\$14,338,716.41	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	REVENUE TOTALS	\$12,142,684.10	\$14,338,716.41	\$15,074,000.00	\$11,300,927.54	\$15,488,200.00
	EXPENSE TOTALS	\$12,149,659.30	\$14,340,487.69	\$14,656,410.05	\$9,095,157.82	\$15,488,200.00
	Grand Totals	(\$6,975.20)	(\$1,771.28)	\$417,589.95	\$2,205,769.72	\$0.00

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(5) Includes allocation of additional sewer employee.

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(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$929,427 PRINCIPAL AMOUNT
OF OUTSTANDING SEWAGE WORKS REVENUE BONDS, SERIES 2009A**

Principal payable annually January 1st
Interest payable semi-annually January 1st and July 1st
Interest rate as shown.

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
(-----In Dollars-----)						
01/01/26	\$929,427	0.91	\$182,569	\$4,228.89	\$186,797.89	\$186,797.89
07/01/26	746,858	0.91		3,398.20	3,398.20	
01/01/27	746,858	0.91	184,213	3,398.20	187,611.20	191,009.40
07/01/27	562,645	0.91		2,560.03	2,560.03	
01/01/28	562,645	0.91	185,871	2,560.03	188,431.03	190,991.06
07/01/28	376,774	0.91		1,714.32	1,714.32	
01/01/29	376,774	0.91	187,543	1,714.32	189,257.32	190,971.64
07/01/29	189,231	0.91		861.00	861.00	
01/01/30	189,231	0.91	189,231	861.00	190,092.00	190,953.00
Totals			<u>\$929,427</u>	<u>\$21,295.99</u>	<u>\$950,722.99</u>	<u>\$950,722.99</u>

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$1,355,000 PRINCIPAL AMOUNT
OF OUTSTANDING AMENDED SEWAGE WORKS REVENUE BONDS, SERIES 2009B**

**Principal payable annually January 1st
Interest payable semi-annually January 1st and July 1st
Interest rate as shown.**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
01/01/26	\$1,355,000	5.66	\$240,000	\$39,394.75	\$279,394.75	\$279,394.75
07/01/26	1,115,000	5.66		32,602.75	32,602.75	
01/01/27	1,115,000	5.77	255,000	32,602.75	287,602.75	320,205.50
07/01/27	860,000	5.77		25,246.00	25,246.00	
01/01/28	860,000	5.83	270,000	25,246.00	295,246.00	320,492.00
07/01/28	590,000	5.83		17,375.50	17,375.50	
01/01/29	590,000	5.89	285,000	17,375.50	302,375.50	319,751.00
07/01/29	305,000	5.89		8,982.25	8,982.25	
01/01/30	305,000	5.89	305,000	8,982.25	313,982.25	322,964.50
Totals			<u>\$1,355,000</u>	<u>\$207,807.75</u>	<u>\$1,562,807.75</u>	<u>\$1,562,807.75</u>

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$620,000 PRINCIPAL AMOUNT
OF OUTSTANDING SEWAGE WORKS REFUNDING REVENUE BONDS, SERIES 2015**

Principal payable annually January 1st

Interest payable semi-annually January 1st and July 1st

Interest rate as shown.

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
01/01/26	\$620,000	3.15	\$200,000	\$9,765.00	\$209,765.00	\$209,765.00
07/01/26	420,000	3.15		6,615.00	6,615.00	
01/01/27	420,000	3.15	205,000	6,615.00	211,615.00	218,230.00
07/01/27	215,000	3.15		3,386.25	3,386.25	
01/01/28	215,000	3.15	<u>215,000</u>	<u>3,386.25</u>	<u>218,386.25</u>	<u>221,772.50</u>
Totals			<u>\$620,000</u>	<u>\$29,767.50</u>	<u>\$649,767.50</u>	<u>\$649,767.50</u>

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$19,865,000 PRINCIPAL AMOUNT
OF OUTSTANDING SEWAGE WORKS REVENUE BONDS, SERIES 2022**

**Principal payable annually January 1st
Interest payable semi-annually January 1st and July 1st
Interest rate as shown.**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal	Interest	Total	
(-----In Dollars-----)						
01/01/26	\$19,865,000	5.00	\$190,000	\$546,288.00	\$736,288.00	\$736,288.00
07/01/26	19,675,000	5.00		541,063.00	541,063.00	
01/01/27	19,675,000	5.00	200,000	541,063.00	741,063.00	1,282,126.00
07/01/27	19,475,000	5.00		535,563.00	535,563.00	
01/01/28	19,475,000	5.00	210,000	535,563.00	745,563.00	1,281,126.00
07/01/28	19,265,000	5.00		529,788.00	529,788.00	
01/01/29	19,265,000	5.00	440,000	529,788.00	969,788.00	1,499,576.00
07/01/29	18,825,000	5.00		517,688.00	517,688.00	
01/01/30	18,825,000	5.00	465,000	517,688.00	\$982,688.00	1,500,376.00
07/01/30	18,360,000	5.00		504,900.00	504,900.00	
01/01/31	18,360,000	5.00	1,005,000	504,900.00	1,509,900.00	2,014,800.00
07/01/31	17,355,000	5.00		477,263.00	477,263.00	
01/01/32	17,355,000	5.00	1,060,000	477,263.00	1,537,263.00	2,014,526.00
07/01/32	16,295,000	5.00		448,113.00	448,113.00	
01/01/33	16,295,000	5.00	1,115,000	448,113.00	1,563,113.00	2,011,226.00
07/01/33	15,180,000	5.00		417,450.00	417,450.00	
01/01/34	15,180,000	5.00	1,180,000	417,450.00	1,597,450.00	2,014,900.00
07/01/34	14,000,000	5.00		385,000.00	385,000.00	
01/01/35	14,000,000	5.00	1,245,000	385,000.00	1,630,000.00	2,015,000.00
07/01/35	12,755,000	5.00	-	350,763.00	350,763.00	
01/01/36	12,755,000	5.00	1,310,000	350,763.00	1,660,763.00	2,011,526.00
07/01/36	11,445,000	5.00	-	314,738.00	314,738.00	
01/01/37	11,445,000	5.00	1,385,000	314,738.00	1,699,738.00	2,014,476.00
07/01/37	10,060,000	5.00	-	276,650.00	276,650.00	
01/01/38	10,060,000	5.00	1,460,000	276,650.00	1,736,650.00	2,013,300.00
07/01/38	8,600,000	5.00	-	236,500.00	236,500.00	
01/01/39	8,600,000	5.00	1,540,000	236,500.00	1,776,500.00	2,013,000.00
07/01/39	7,060,000	5.00	-	194,150.00	194,150.00	
01/01/40	7,060,000	5.00	1,625,000	194,150.00	1,819,150.00	2,013,300.00
07/01/40	5,435,000	5.00	-	149,463.00	149,463.00	
01/01/41	5,435,000	5.00	1,715,000	149,463.00	1,864,463.00	2,013,926.00
07/01/41	3,720,000	5.00	-	102,300.00	102,300.00	
01/01/42	3,720,000	5.00	1,810,000	102,300.00	1,912,300.00	2,014,600.00
07/01/42	1,910,000	5.00	-	52,525.00	52,525.00	
01/01/43	1,910,000	5.00	1,910,000	52,525.00	1,962,525.00	2,015,050.00
Totals			<u>\$19,865,000</u>	<u>\$12,614,122.00</u>	<u>\$32,479,122.00</u>	<u>\$32,479,122.00</u>

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

SCHEDULE OF OUTSTANDING COMBINED BOND AMORTIZATION

Payment Date	Outstanding				Total	Bond Year Total
	2009A	2009B	2015	2022		
01/01/26	\$186,797.89	\$279,394.75	\$209,765.00	\$736,288.00	\$1,412,245.64	\$1,412,245.64
07/01/26	3,398.20	32,602.75	6,615.00	541,063.00	583,678.95	
01/01/27	187,611.20	287,602.75	211,615.00	741,063.00	1,427,891.95	2,011,570.90
07/01/27	2,560.03	25,246.00	3,386.25	535,563.00	566,755.28	
01/01/28	188,431.03	295,246.00	218,386.25	745,563.00	1,447,626.28	2,014,381.56
07/01/28	1,714.32	17,375.50		529,788.00	548,877.82	
01/01/29	189,257.32	302,375.50		969,788.00	1,461,420.82	2,010,298.64
07/01/29	861.00	8,982.25		517,688.00	527,531.25	
01/01/30	190,092.00	313,982.25		982,688.00	1,486,762.25	2,014,293.50
07/01/30				504,900.00	504,900.00	
01/01/31				1,509,900.00	1,509,900.00	2,014,800.00
07/01/31				477,263.00	477,263.00	
01/01/32				1,537,263.00	1,537,263.00	2,014,526.00
07/01/32				448,113.00	448,113.00	
01/01/33				1,563,113.00	1,563,113.00	2,011,226.00
07/01/33				417,450.00	417,450.00	
01/01/34				1,597,450.00	1,597,450.00	2,014,900.00
07/01/34				385,000.00	385,000.00	
01/01/35				1,630,000.00	1,630,000.00	2,015,000.00
07/01/35				350,763.00	350,763.00	
01/01/36				1,660,763.00	1,660,763.00	2,011,526.00
07/01/36				314,738.00	314,738.00	
01/01/37				1,699,738.00	1,699,738.00	2,014,476.00
07/01/37				276,650.00	276,650.00	
01/01/38				1,736,650.00	1,736,650.00	2,013,300.00
07/01/38				236,500.00	236,500.00	
01/01/39				1,776,500.00	1,776,500.00	2,013,000.00
07/01/39				194,150.00	194,150.00	
01/01/40				1,819,150.00	1,819,150.00	2,013,300.00
07/01/40				149,463.00	149,463.00	
01/01/41				1,864,463.00	1,864,463.00	2,013,926.00
07/01/41				102,300.00	102,300.00	
01/01/42				1,912,300.00	1,912,300.00	2,014,600.00
07/01/42				52,525.00	52,525.00	
01/01/43				1,962,525.00	1,962,525.00	2,015,050.00
Totals	\$950,722.99	\$1,562,807.75	\$649,767.50	\$32,479,122.00	\$35,642,420.24	\$35,642,420.24

Average annual debt service for the five bond years ending January 1, 2030.

1,892,558.05

(Subject to the attached letter dated April 10, 2026)

LAWRENCE (INDIANA) MUNICIPAL SEWAGE WORKS

UTILITY CAPITAL IMPROVEMENT PLAN
 (Information provided by Consulting Engineers)
 (Amounts rounded to nearest \$100)

<u>Capital Improvement Categories:</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>Sub-Totals</u>
71st Street Projects	\$770,000	\$1,275,000	\$5,365,000	\$6,205,000	\$4,975,000	\$18,590,000
46th and Post Projects	3,226,000	1,720,000	4,086,000	23,695,000	8,810,000	41,537,000
Additional Capital Improvements	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>12,500,000</u>
Sub-Totals	<u>6,496,000</u>	<u>5,495,000</u>	<u>11,951,000</u>	<u>32,400,000</u>	<u>16,285,000</u>	<u>72,627,000</u>
Less Outstanding Bonds	(3,996,000)	(2,995,000)	-	-	-	(6,991,000)
Less Assumed Proposed Bonds	<u>-</u>	<u>-</u>	<u>(9,451,000)</u>	<u>(29,900,000)</u>	<u>(13,785,000)</u>	<u>(53,136,000)</u>
Net Rate Fund Capital	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$12,500,000</u>
	Average Annual Capital Improvements					<u>\$2,500,000</u>

(Subject to the attached letter dated April 10, 2026)

CITY OF LAWRENCE (INDIANA) MUNICIPAL UTILITIES

CALCULATION OF TRANSFER TO GENERAL FUND

	Water 12/31/2025	Sewer 12/31/2025	Utility Total
<u>PILOT:</u>			
Utility Plant in Service (UPIS) @ 12/31/25 (1)	\$147,216,978	\$33,607,894	\$180,824,872
CWIP (2)		4,800,000	4,800,000
	<hr/>	<hr/>	<hr/>
Estimated Net Assessed Value	147,216,978	38,407,894	185,624,872
Divided by 100	100	100	100
	<hr/>	<hr/>	<hr/>
Sub-total	1,472,170	384,079	1,856,249
Times 2026 corporate tax rate of \$0.7002 per \$100 (3)	0.7002	0.7002	0.7002
	<hr/>	<hr/>	<hr/>
Total Calculated Payment in Lieu of Tax	<u>\$1,030,813</u>	<u>\$268,932</u>	<u>\$1,299,745</u>
<u>ROI:</u>			
Estimated Annual Operating Revenues (4)	\$11,866,700	\$14,991,600	
Times Return on Rate Base (5)	2.34%	14.33%	
	<hr/>	<hr/>	
Calculated Return on Annual Revenues	<u>\$277,700</u>	<u>\$2,148,300</u>	<u>\$2,426,000</u>
<u>Shared Costs:</u>			
Total Shared Costs (6)	\$1,014,051	\$1,014,051	
Times allocation (7)	39.0%	61.0%	
	<hr/>	<hr/>	
Allocated Shared Costs	<u>\$395,000</u>	<u>\$619,000</u>	<u>\$1,014,000</u>
Calculated Supportable Amount	<u>\$1,703,513</u>	<u>\$3,036,232</u>	<u>\$4,739,745</u>
Proposed Transfer to the City	<u>\$1,672,500</u>	<u>\$2,935,959</u>	<u>\$4,608,459</u>
Over(Under)	<u>\$31,013</u>	<u>\$100,273</u>	<u>\$131,286</u>

- (1) Based on 2025 Indiana Gateway Annual Financial Report (assumed net book value).
- (2) Based on discussion with Utility Management and POs for the Series 2022 Sewer Revenue Bond.
- (3) Per Indiana Department of Local Government Finance (DLGF) 2025 pay 2026.
- (4) Based on USB approved 2025 budget.
- (5) See Calculation of Return on Investment, Rate Base and Net Operating Revenue.
- (6) See Calculation of Proposed Shared Costs.
- (7) Allocation percentage of total utility operation and maintenance expenses.

(Subject to the attached letter dated April 10, 2026)